# Grand Inna Kuta's Afternoon Tea Sales Marketing Strategy to Increase Chinese Market
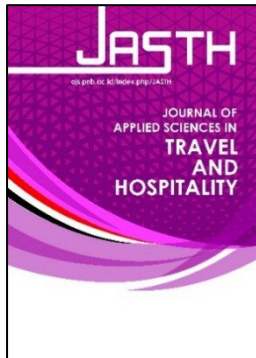
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**Abstract**:

This study discusses the strengths and weaknesses of the strategic marketing mix owned by the Grand Inna Kuta hotel, Bali. The data collection technique used was purposive sampling. Data collection was carried out by observation, interview, documentation study, and distributing questionnaires with a total number of 14 respondents consisting of relevant departments of the Sales and Marketing Department and the Food & Beverage Department. The analysis technique used in this study is the SWOT analysis technique (Strength, Weakness, Opportunity, and Threat). In the results of the study there were 9 internal indicators that became strengths, and 7 internal indicators that became weaknesses. There are 3 external indicators that become opportunities, and 3 external indicators that pose a threat. In the SWOT matrix analysis technique, there are 2 strategies for maximizing strength and opportunity, namely providing attractive prices and adding new menu variants, 3 strategies to maximize strength to minimize obstacles that consist of replacing furniture with new ones, adding music to restaurants, and presenting products creatively, 2 strategies to maximize opportunities by minimizing weaknesses are by paying attention to where the products are presented and adding special items, and 2 strategies to minimize threats and weaknesses such as giving special prices for booking groups.

**Keywords:** *marketing mix strategy, afternoon tea, SWOT analysis, China market*

## INTRODUCTION

There are variant visitors coming from different countries visiting Bali every year with different purposes and expectation. Grand Inna Kuta is known as one of accommodations in Kuta area that offers the best location which is right on the beach. The hotel itself has a direct access to the beach just by passing its day beach club. Besides friendly hospitality, guests choose this hotel for its location which has much to offer within walking distance for example shopping malls, convenience stores, spas, cafés, etc.

Grand Inna Kuta begins to attract more Chinese guests to stay due to the increasing numbers of its visitors every year to Bali. Numbers of China guests who come to Grand Inna Kuta hit a quite huge numbers for the half quarter of the year and have entered top 10 markets this year. China is an original producer of tea and is renowned for its skills in planting and making tea. Tea drinking is known to be a part of Chinese culture and the

custom has spread over to Europe as well as other regions. The promotion of tea has been one of China's principal contributions to the world (Top China Travel, 2004, p.1).

One of the customs involved in drinking tea is to knock on the table as a sign of thanks to the person serving the tea. The habit originated from Qianlong, an emperor who ruled from 1711-1799 and continued the tea-drinking tradition, making it a key part of his regimen. It is important to use the right tea wares so that the precious tea does not go to waste. A lot to consider prior to hold a tea-drinking party which are: location, the number of drinkers and the variety of tea. Usually the tea-drinking ceremony is set up like a performance, with the server making gracious hand movements to prepare and brew the tea before serving it. Each tea has a different brewing method. Some teas are brewed in a pot over a fire, while others are brewed in the glass. Drinking tea also gives benefits for health, which were discovered during the Tang Dynasty, which said "tea cures every disease". Tea is rich in important substances such as the catech in antioxidant and polyphenols, which help to fight free radicals and are 40-100 times stronger than vitamin C. In China, brewed tea leaf is used as a traditional medicine to cure wounds. Other benefits include the ability to control bacteria such as salmonella in cases of diarrhea, help people to lose weight, prevent cancer and promote inner peace (Tanjung, 2016).

Usually, hotels in Kuta would offer spa package including high tea or afternoon tea. Grand Inna Kuta has been offering afternoon tea package intensely starting this year. Grand Inna Kuta has been introducing the new afternoon tea package through sales-call (offline), inviting Chinese travel agents over as well as social media platform to spread the information towards all the followers.

**RESEARCH METHOD**

The research used 7P marketing mix strategy consisting of Product, Place, Price, Promotion, People, Physical Evidence, and Process. Data collection was carried out by observation, interview, documentation study, and distributing questionnaires with a total number of 14 respondents consisting of relevant departments of the Sales and Marketing Department and the Food & Beverage Department. The analysis technique used in this study is the SWOT analysis technique (Strength, Weakness, Opportunity, and Threat).

There are adjustments to the marketing mix, where the producer adjusts the marketing mix elements for each target market. The variables in this marketing mix can be used effectively when arranged in accordance with the circumstances and situations that are being experienced in a company. It can be concluded that the understanding of marketing mix is the factors that are mastered and can be used by marketing managers to influence consumer purchasing decisions.

It is known that there are 5 (five) external factors that influence the pricing. The five external factors are economic conditions, supply and demand, demand elasticity, competition and government control. These five external factors indirectly affect the pricing but are still taken into consideration.

The method used to determine the sample is called purposive sampling technique where a group of people is selected based on their job descriptions who are having influences in afternoon tea product. The samples for this research are Director of Sales Marketing, F&B Manager, Executive Chef, Marcom, and Sales Executive.

The data analysis technique that is used for this research are descriptive analysis and SWOT Analysis. Data analysis is needed to analyze the marketing mix strategy to increase afternoon tea sales at Grand Inna Kuta. The data collection is using model of matric analysis EFAS (External Factor Analysis Summary) and matric analysis IFAS (Internal Factor Analysis Summary) in order to identify strength, weakness, opportunity and threat which analyze the influence of external and internal factors to create strategy to increase afternoon tea sales at Grand Inna Kuta.

**RESULTS AND DISCUSSION**

When a company starts or creates something new, there is going to be a method of how to spread the awareness of the said invention. Going global and digitally as of today, it is very simple and easy to blast a new information towards people from all over the world. By only one click, thousands of people will be reached just in one second.

Before having to promote or advertise the product, the company should have had the material first. In this case, marketing team needs to have the visual of the product in order to sell or promote it to the outside world. Marketing team along with F&B team need to make the product presentable and attractive enough to catch people's attention by just one glance. Once the material is done, marketing will take a lot of photos from every angle for future usage.

There are some steps to be taken to introduce afternoon tea to in house guests and attract Chinese guests to stay which is explained as follows:

1. Creating a poster or tent card

   Once the photos have been taken, graphic design will start to work on the design of the poster. The design needs to as attractive as possible. Design will affect people' decision to buy a product. The posters then will be spread within hotel area for example in the guest lifts or announcement board for guests only. The information will be visible for in house guests and this is one of ways to inform in house guests that the hotel has something new.

2. Making a video

Nowadays people tend to find videos more attractive than images since video is basically a moving image that tells stories. Marketing team will shoot a video which is made as attractive as possible. Once the video is ready, there is a TV in each guest room. The video can be played in every TV at the hotel on the default channel. This will gain more exposure from in house guests moreover they will know that hotel has a new product. If the video is attractive enough, guests would love to pay more only to taste how the food is. To gain attention from Chinese guests, the videos can be shared on YouTube, a video platform that has an average millions of views in a day. With correct title and hashtag, the video will be visible and this will also regain more recognition from people who are watching it.

3. Social Media Platform

This is one of the most platform people love to operate on their phones. These platforms can be useful for business purpose for example Facebook and Instagram. The posters or the video can be uploaded into these platforms and promote option is there to choose. By setting the target and the duration of the promotion, this will help to increase the unique numbers of visitors or viewers. The target can be set into China area or any other areas that are targeted for the afternoon tea. The video can be shared on YouTube as well.

4. Mailchimp

Mailchimp is one of marketing tools to help hotel to boost up any promotion which in this case is afternoon tea. Any images and videos, they can be uploaded into the platform and just by one click, all the promotion will be sent to the database. Therefore, before using mailchimp, the company needs to list the database first. The database can be divided by country therefore it will be very helpful especially for marketing purpose.

To find out the right strategy at Grand Inna Kuta, authors use SWOT analysis techniques. Table 1 and Table 2 shows the internal and external variables:

**Table 1.** External Variable and Indicator

| Variable | Indicator |
|---|---|
| Economic Condition | 1. Influencing bidding price |
| Supply and Demand | 1. Price setting according to the requests |
| Elasticity of Demand | 1. Behavior of the agents |
| Competition | 1. Good pricing compared to competitors<br>2. Competitor's location |
| Government | 1. Government regulations |

Source: Research Result 2019

**Table 2.** Internal Variable and Indicator

| Variable | Indicator |
|---|---|
| Product | 1. Product variety |
|  | 2. Product quality |
|  | 3. Product display |
| Promotion | 1. Ad attractiveness |
|  | 2. Competitors publicity |
| Price | 1. Discount |
|  | 2. Payment method variety |
| Place | 1. Accessibility |
|  | 2. Visibility |
|  | 3. Parking lot |
|  | 4. Expansion |
| People | 1. Service |
|  | 2. Product knowledge |
| Process | 1. Quality determination |
| Physical Evidence | 1. Layout |
|  | 2. Lighting |
|  | 3. Furnishing |
|  | 4. Atmosphere |

Source: Research Result 2019

After both internal and external indicators have been determined for each variable, now it comes to determine the rating and weight for every variable. The method used to get the numbers is by spreading questionnaire to related people in departments involved in this afternoon tea project. After processing all the data and numbers gathered from the questionnaire, the average of all internal indicators that determine strength and weakness is on 3.20 points therefore should the rating be more than 3.20, the internal indicator is expected to be the strength while lower than 3.20, the internal indicator is the weakness.

**Table 3.** Classified Internal Indicator

| No | Internal Indicator | Rating | Weight | Description |
|---|---|---|---|---|
| 1 | Selection of menu | 3.64 | 0.07 | Strength |
| 2 | Taste of food | 3.43 | 0.06 | Strength |
| 3 | Presentation | 2.93 | 0.07 | Weakness |
| 4 | Design of the flyer | 3.43 | 0.06 | Strength |
| 5 | Discount | 3.07 | 0.04 | Strength |
| 6 | Methods of payment | 2.93 | 0.06 | Weakness |
| 7 | The location of hotel | 3.93 | 0.07 | Strength |
| 8 | Accessibility | 3.86 | 0.06 | Strength |
| 9 | Sufficient parking lot | 3.29 | 0.06 | Strength |
| 10 | Hospitality of staff | 3.50 | 0.07 | Strength |
| 11 | Product knowledge | 3.29 | 0.06 | Strength |

| 12 | Quality determination | 3.21 | 0.07 | Strength |
|----|----------------------|------|------|----------|
| 13 | Restaurant layout | 2.79 | 0.06 | Weakness |
| 14 | Sufficient lighting | 2.57 | 0.06 | Weakness |
| 15 | Restaurant furniture | 2.57 | 0.06 | Weakness |
| 16 | Ambiance | 2.79 | 0.06 | Weakness |

Source: Research Result 2019

Opportunities and threats are determined by the average rating of external indicator which is on 3.06. External indicator scores higher than 3.06 is expected to be opportunities while lower than that is threats.

**Table 4.** Classified External Indicator

| No | Eternal Indicator | Rating | Weight | Description |
|----|-------------------|--------|--------|-------------|
| 1 | Global economy condition | 2.93 | 0.16 | Threat |
| 2 | Price setting according to requests | 3.21 | 0.19 | Opportunity |
| 3 | Behavior of the agents | 3.07 | 0.16 | Opportunity |
| 4 | Pricing compared to competitors | 3.29 | 0.18 | Opportunity |
| 5 | Competitor's location | 2.86 | 0.16 | Threat |
| 6 | Government's regulation in regards to halal food | 3.00 | 0.15 | Threat |

Source : Research Result 2019

Table 5 showing the score is determined by rating times weight on internal indicators. Once the score has been obtained from each variable, it will be summed up at the end which gets the total of 3.22 point.

To analyze the influence of external factors in order to create best strategy to increase afternoon tea sales at Grand Inna Kuta, this is the summary of every rating and weight for external indicators that are described as opportunities or threats.

**Table 5.** IFAS Matrix

| Internal Strategic Factor | | Rating | Weight | Score |
|-----------|----------------------|--------|--------|-------|
| Strength | Selection of menu | 3.64 | 0.07 | 0.26 |
| | Taste of food | 3.43 | 0.06 | 0.22 |
| | Design of the flyer | 3.43 | 0.06 | 0.22 |
| | The location of hotel | 3.93 | 0.07 | 0.28 |
| | Accessibility | 3.86 | 0.06 | 0.24 |
| | Sufficient parking lot | 3.29 | 0.06 | 0.20 |
| | Hospitality of staff | 3.50 | 0.07 | 0.23 |
| | Product knowledge | 3.29 | 0.06 | 0.21 |
| | Discount | 3.07 | 0.04 | 0.14 |
| | Quality determination | 3.21 | 0.07 | 0.21 |
| Weakness | Presentation | 2.93 | 0.07 | 0.19 |

| | | | | |
|---|---|---|---|---|
| | Methods of payment | 2.93 | 0.06 | 0.16 |
| | Restaurant layout | 2.79 | 0.06 | 0.16 |
| | Sufficient lighting | 2.57 | 0.06 | 0.15 |
| | Restaurant furniture | 2.57 | 0.06 | 0.16 |
| | Ambiance | 2.79 | 0.06 | 0.18 |
| Total | | | | 3.22 |

Table 6 showing the score is determined by rating times weight on external indicators. Once the score has been obtained from each variable, it will be summed up at the end which gets the total of 3.07 point.

**Table 6.** EFAS Matrix

| | **External Strategic Factor** | **Rating** | **Weight** | **Score** |
|---|---|---|---|---|
| Opportunity | Price setting according to requests | 3.21 | 0.19 | 0.61 |
| | Behavior of the agents | 3.07 | 0.16 | 0.50 |
| | Pricing compared to competitors | 3.29 | 0.18 | 0.59 |
| Threat | Global economy condition | 2.93 | 0.16 | 0.48 |
| | Competitor's location | 2.86 | 0.16 | 0.45 |
| | Government's regulation in regards to halal food | 3.00 | 0.15 | 0.44 |
| Total | | | | 3.07 |

IE Matrix is used to find out the current business position of the company. The scores from internal and external help to identify where the position of the company currently is. The horizontal line shows the external factor and the vertical line shows the internal factor. From Table 6, the current position of the company is in growth stage. To focus more on how presentable the product is as well as how decent the facilities where the product is served, will help the company grow significantly.
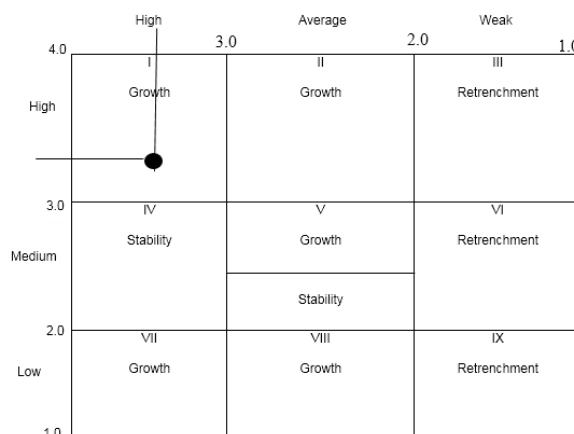


Source: Research Result 2019

**Figure 1.** IE Matrix

After learning how the position of the business is currently doing, creating a possible strategy that might be applied by the company is the next step. SWOT Matrix is a tool that is used to create the strategy by analyzing the internal and external factors.

**Table 7.** SWOT Matrix

| IFAS/EFAS | Strengths (S) | Weakness (W) |
|---|---|---|
| | 1. Selection of menu<br>3. Design of the flyer<br>4. The location of hotel<br>5. Accessibility<br>6. Sufficient parking lot<br>7. Hospitality of staff<br>8. Product knowledge<br>9. Quality determination<br>10. Discount | 1. Presentation<br>3. Methods of payment<br>4. Restaurant layout<br>5. Sufficient lighting<br>6. Restaurant furniture<br>7. Ambiance |
| **Opportunities (O)** | **SO Strategies** | **WO Strategies** |
| 1. Price setting according to requests<br>2. Behavior of the agents<br>3. Pricing compared to competitors | 1. Attractive price<br>2. Adding more menu<br>3. Giving discount | 1. Replacing furniture<br>2. More background music<br>3. Creative presentation |
| **Threats (T)** | **ST Strategies** | **WT Strategies** |
| 1. Global economy condition<br>2. Competitor's location<br>3. Government's regulation in regards to halal food | 1. Special items<br>2. Location of the service | 1. Group booking special price<br>2. Redesigning the layout |

1. Attractive price

   Setting prices to be more attractive especially to China agents who have possibilities to bring more China guests to the hotel. Not to set up the price too high since agents can observe and one day they can jump from place to place. If the agents ask for lower price, this is possible as long as there is an adjustment between the price and cost of the menu. Giving discount to the agents who bring huge numbers of group regularly for the afternoon tea.

2. Adding more menu

   Not all people are fond of the same menu over and over again. In this case, hotel can add more menu to attract existing guests even new customers. Create menu that meets everyone's taste not only for China guests.

3. Replacing furniture

   Changing the old furniture to the new ones help to create more comfortable feeling when having the food. Replacing cutleries and glasses to the new ones so guests can enjoy the menu and eat with joy.

4. More background music

   Adding some relaxation music as background music upon guests' arrival would have made them feel calm and relax.

5. Creative presentation

   Searching for more reference on the internet of what the recent trends are for afternoon tea's presentation which can be applied at the company. Creative presentation can awe the guests and help to expose it through their social media.

6. Special items

   For bulk booking, some gifts should be given to them as small tokens from the management. One or two items should be added into the menu especially for group booking.

7. Location of the service

   Serving at the restaurant where it has the best view in this case the one that has a direct view to the beautiful beach. Move up to the side of the pool where sun lounges are available to be used during the day. Having the afternoon tea while swimming is something millennial would be up to do these days.

8. Group booking special price

   To gain their loyalties, the company can set a new pricing for agents who bring more groups in which the menu should be balanced.Not only giving the agents special price, but also add more benefits where it could be the longer usage of sun lounges by the pool or more selection of the drinks.

9. Redesigning layout

   Repainting the wall to give a new vibe at the restaurant. Repositioning the tables and chairs to give a new atmosphere for return guests.

**CONCLUSIONS**

According to the discussion, the author can conclude two conlusion are to introduce the product to in house guests can be done by 4 steps which are creating poster or tent card, making a video, through social media platforms, and Mailchimp. Using IE Matrix help the author to find out the current position of Grand Inna Kuta. From the IE Matrix, the position of Grand Inna Kuta is in column I which is "growth". There is several marketing strategy that

can be implemented in accordance to the 7P. They are product, price, promotion, place, process, people, physical (evidence).

## ACKNOWLEDGEMENT

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